Fourth Quarter & FY 2017 Earnings Presentation

March 20, 2018

LAUREATE EDUCATION INC®









Forward Looking Statements

This presentation includes statements that express Laureate's opinions, expectations, beliefs, plans, objectives, assumptions or projections regarding future events or future results and therefore are, or may be deemed to be, "forward-looking statements" within the meaning of the federal securities laws, which involve risks and uncertainties. Laureate's actual results may vary significantly from the results anticipated in these forward-looking statements. You can identify forward-looking statements because they contain words such as "believes," "expects," "may," "will," "should," "seeks," "approximately," "intends," "plans," "estimates" or "anticipates" or similar expressions that concern our strategy, plans or intentions. All statements we make relating to guidance (including, but not limited to, total enrollments, revenue, Adjusted EBITDA, costs, expenditures (including capital expenditures), interest expense, cash flows, earnings per share, runrates and growth rates), our hedging strategy, potential asset sales, currency rates and financial results, and all statements we make related to the conversion of the Series A Preferred Stock and the expansion of our EiP initiative, are forward-looking statements. In addition, we, through our senior management, from time to time make forward-looking public statements concerning our expected future operations and performance and other developments. All of these forward-looking statements are subject to risks and uncertainties that may change at any time, and, therefore, our actual results may differ materially from those we expected. We derive most of our forward-looking statements from our operating budgets and forecasts, which are based upon many detailed assumptions. While we believe that our assumptions are reasonable, we caution that it is very difficult to predict the impact of known factors, and, of course, it is impossible for us to anticipate all factors that could affect our actual results. Important factors that could cause actual results to differ materially from our expectations are disclosed in our Annual Report on Form 10-K filed with the U.S. Securities and Exchange Commission ("SEC") on March 20, 2018, and other filings made with the SEC. These forward-looking statements speak only as of the time of this presentation and we do not undertake to publicly update or revise them, whether as a result of new information, future events or otherwise, except as required by law. In addition, this presentation contains various operating data, including market share and market position, that are based on internal company data and management estimates. While management believes our internal company research is reliable and the definitions of our markets which are used herein are appropriate, neither such research nor these definitions have been verified by an independent source and there are inherent challenges and limitations involved in compiling data across various geographies and from various sources, including those discussed under "Market and Industry Data" in Laureate's filings with the SEC.

Presentation of Non-GAAP Measures

This presentation contains certain non-GAAP measures which are provided to assist in an understanding of the business and performance of Laureate Education Inc. These measures should always be considered in conjunction with the appropriate GAAP measure. Reconciliations of non-GAAP measures to the relevant GAAP measures are provided in the appendix to this presentation in the financial tables and our SEC filings.

© 2018 Laureate Education, Inc.



SUMMARY OVERVIEW

LAUREATE EDUCATION INC

Note: Throughout this presentation amounts may not sum to totals due to rounding

© 2018 Laureate Education, Inc.

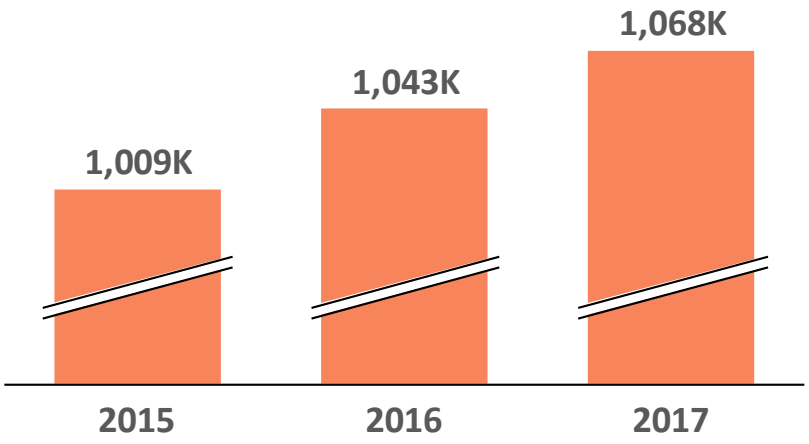
Summary Highlights

- ✓ **Record Revenue and Earnings**
- ✓ **Growth and Margin expansion** across Campus-based Segments
- ✓ **10%+ Adjusted EBITDA organic constant currency growth** for 3rd year in a row
- ✓ **Significant Portfolio Simplification** through $650M of asset divestitures
- ✓ **30% Reduction in Net Debt Leverage** to 3.1x post benefit of asset divestitures
- ✓ **Operational Excellence Initiatives** focused in 2018 on Free Cash Flow generation
- ✓ **Reaffirming Full Year 2018 Guidance**

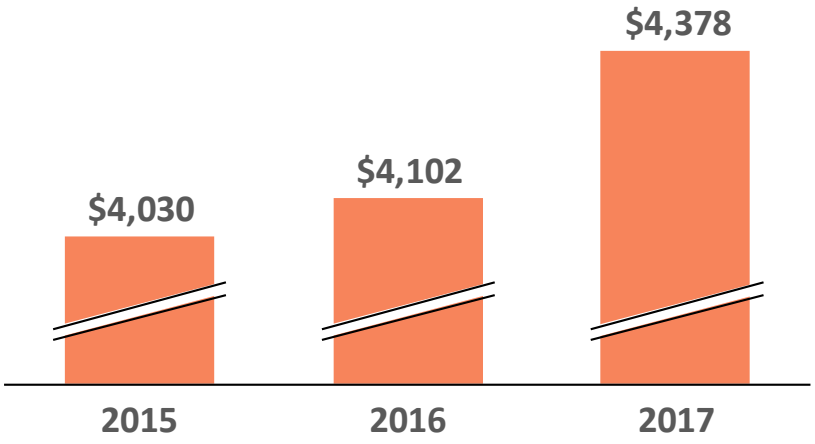
© 2018 Laureate Education, Inc.

Laureate Continues to Deliver Strong Performance

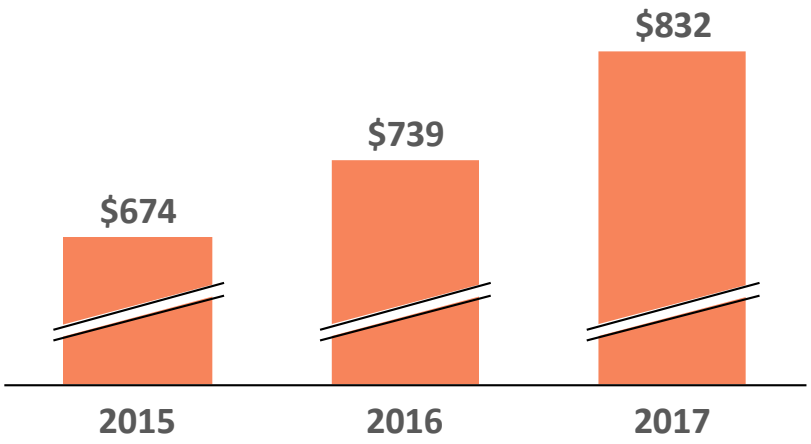
Total Enrollments



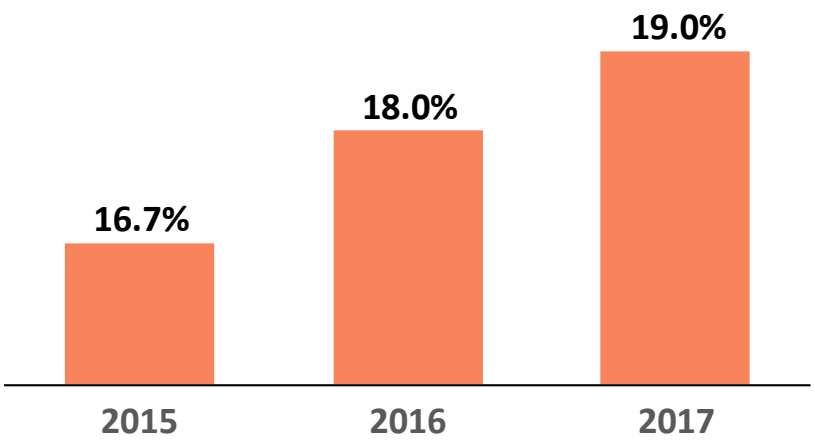
Revenue (millions)



Adjusted EBITDA (millions)



Adjusted EBITDA Margin

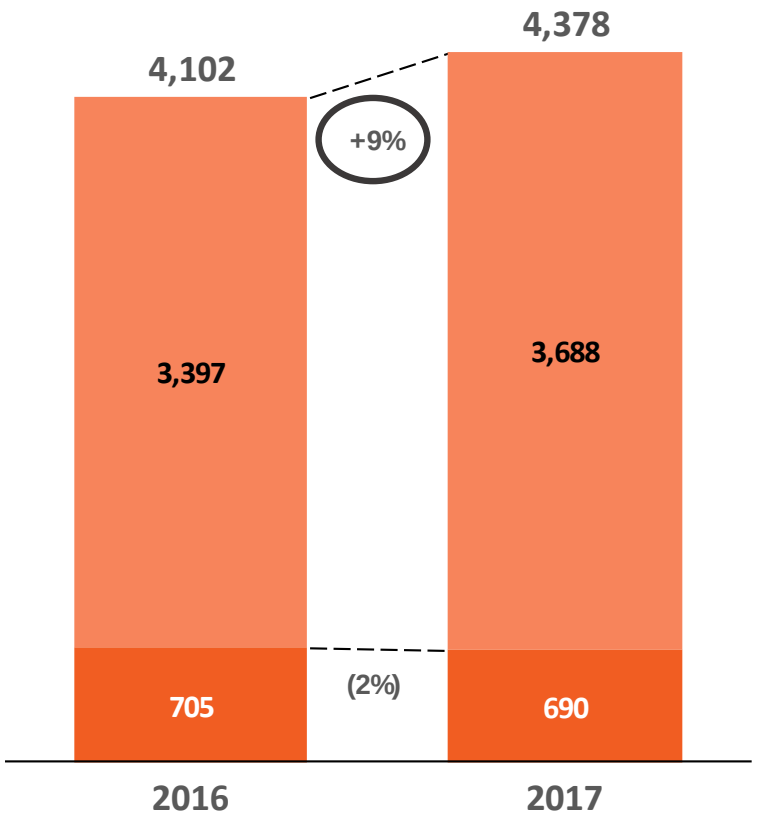


Note: 2015 and 2016 shown pro forma for sale of Switzerland and France business units in 2016

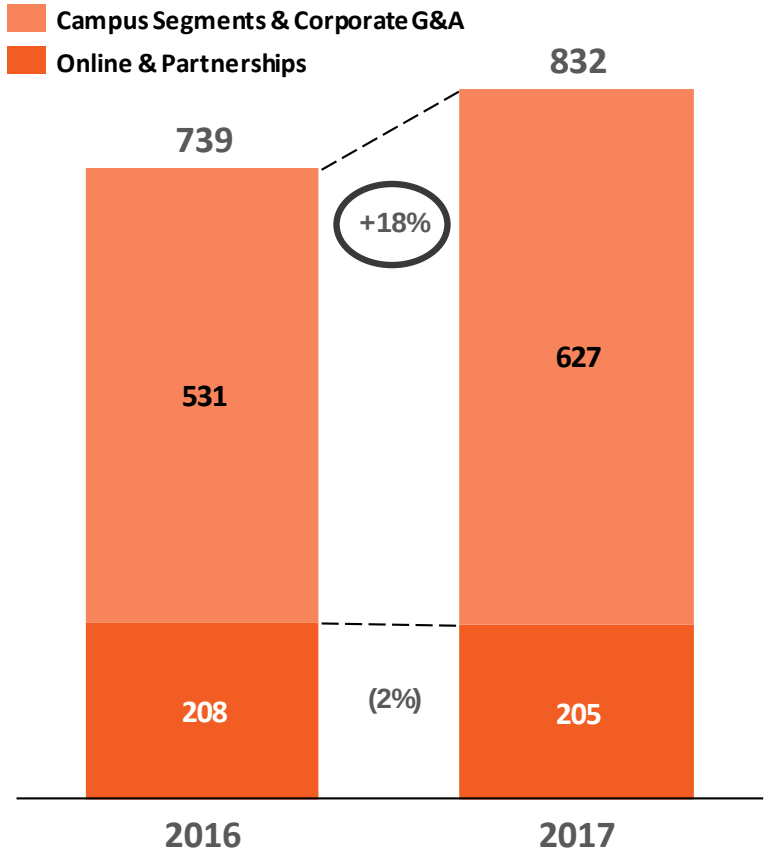
© 2018 Laureate Education, Inc.

Campus Based Operations Delivering Strong Results

Revenue (millions)



Adjusted EBITDA (millions)

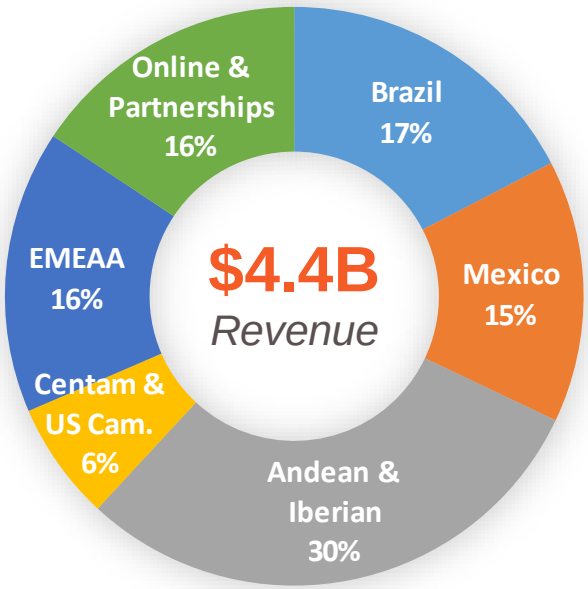


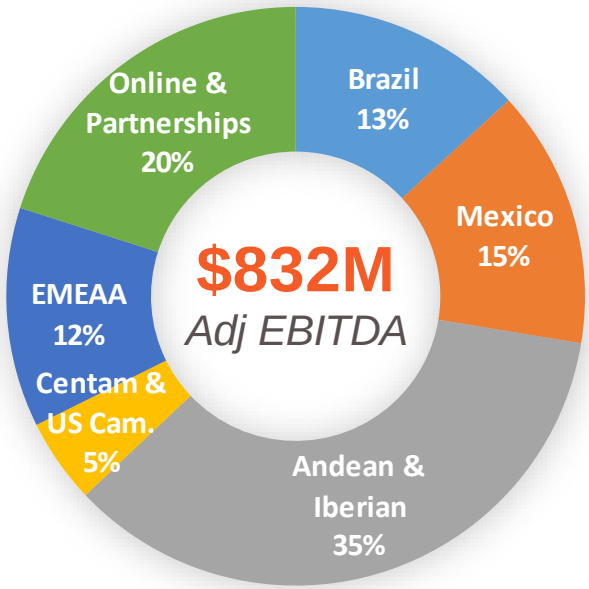
EiP investments & scale benefits driving Margin Expansion in Campus Operations

Note: 2016 shown pro forma for sale of Switzerland and France business units in 2016

© 2018 Laureate Education, Inc.

2017 Full Year Summary





% shown are calculated excluding corporate G&A



1 Million+

Students

Increased Free Cash Flow

+11% Adj. EBITDA Growth (1)	*+100bps Margin Expansion*	*32% Reduction in Interest*

(1) Organic Constant Currency (CC) Operations excludes impacts from currency fluctuations, acquisitions and divestitures, and discrete items associated with sale of property, impact of acquisition-related contingent liabilities for taxes other-than-income tax, net of changes in recorded indemnification assets, and $22.8 million expense associated with our debt refinancing transactions in the second quarter of 2017

© 2018 Laureate Education, Inc.



Q4 AND FULL YEAR PERFORMANCE RESULTS

LAUREATE EDUCATION INC

© 2018 Laureate Education, Inc.

2017 Fourth Quarter – Financial Summary

($ in millions) (Enrollments in thousands)	Q4 '17 Reported	Variance Vs. Q4 '16	Highlights
New Enrollments	33K	n.m.	• Only 6% of full-year intake occurs in Q4
Total Enrollment	1,068K	2%	• Led by Brazil and Andean & Iberian segments
Revenue	$1,261	7%	• 2.6 pts benefit from FX
Revenue – Organic/CC(1)		5%	• All campus based segments growing
Adj. EBITDA	$355	25%	• Impacted by one-time gains
Adj. EBITDA – Organic/CC(1)		9%	• Led by Brazil and EMEAA
Adj. EBITDA margin	28.1%	3.9 pts	• Up 100bps excluding one-time gains

Strong Revenue and Earnings Momentum

(1) Organic Constant Currency (CC) Operations excludes impacts from currency fluctuations, acquisitions and divestitures, and discrete items associated with sale of property and impact of acquisition-related contingent liabilities for taxes other-than-income tax, net of changes in recorded indemnification assets

© 2018 Laureate Education, Inc.

Enrollment Dynamics by Segment

(Enrollments in thousands)	FY '17 New Enrollments (NE)		Total Enrollments (TE) at 12/31/XX		Highlights
	FY '17	Organic Vs. FY '16	FY '17	Organic Vs. FY '16	
Brazil	**150**	**11%**	**271**	**5%**	• NE DL[(1)] up 54%, face-to-face up 6%
Mexico	**107**	**(1%)**	**214**	**0%**	• 4-5k lower NE from Q3 Earthquake
Andean & Iberian	**127**	**0%**	**322**	**4%**	• Growth in all markets except Chile (unfavorably impacted by new HE Law)
Central Am. & U.S. Campuses	**45**	**4%**	**69**	**2%**	
EMEAA	**51**	**(6%)**	**128**	**2%**	• 3.5k lower NE due to Turkey quota cuts; Australia TE up 8%
Online & Partnerships	**35**	**(11%)**	**64**	**(7%)**	• Walden NE contributing (4 pts), plus planned mix shift
Laureate Total	**515**	**2%**	**1,068**	**2%**	

Total Enrollments up single digit in Campus-Based Segments

(1) Distance Learning

© 2018 Laureate Education, Inc.

2017 Fourth Quarter – Revenue, EBITDA Dynamics by Segment

($ millions)	Revenue			Adj. EBITDA			Highlights
	4Q '17	Organic/CC Vs. Q4 '16 (1)	Vs. Q4 '16 Timing Adj (2)	4Q '17	Organic/CC Vs. Q4 '16 (1)	Vs. Q4 '16 Timing Adj (2)	
Brazil	218	2%		73	68%		• Margin gains from new operating model roll-out and timing of expenses
Mexico	194	9%	3%	69	23%	2%	
Andean & Iberian	384	3%	8%	120	(9%)	8%	• Double digit growth in Peru
Central Am. & U.S. Camp.	73	9%		10	(15%)		• Impacted by one U.S. campus school being sold
EMEAA	229	12%		71	22%		• Growth across key markets
Online & Partnerships	169	(3%)		59	(1%)		
Corporate & Eliminations	(5)	n.m.		(46)	(28%)		• Restructuring, consulting and other
Laureate Total	1,261	5%	5%	355	9%	11%	• 100 bps margin expansion ex. one-times

Earnings Growing at 2x the pace of Revenue

(1) Organic Constant Currency (CC) Operations excludes impacts from currency fluctuations, acquisitions and divestitures, and discrete items associated with sale of property and impact of acquisition-related contingent liabilities for taxes other-than-income tax, net of changes in recorded indemnification assets

(2) Organic CC results further adjusted for timing items as detailed in the Appendix

© 2018 Laureate Education, Inc.

2017 Fourth Quarter – Net Income Reconciliation

($ in millions)	Q4 '17 Reported	Variance Vs. Q4 '16 $	Variance Vs. Q4 '16 %	Highlights
Adjusted EBITDA	355	70	25%	
Depreciation & Amort.	(65)	(3)	(5%)	
Interest Expense, net	(80)	22	22%	• Lower debt levels and cost of debt
Income Tax	96	125	n.m.	• U.S. Tax Law reform benefit of $138M
Other	(104)	(52)	n.m.	• Impairments and increased EiP investments
Net Income	201	162	n.m.	

Net Income of $201M boosted by $138M one-time gain due to U.S. Tax reform

Note: *See Appendix for detailed Income Statement*

© 2018 Laureate Education, Inc.

2017 Full Year – Financial Summary

($ in millions) (Enrollments in thousands)	FY '17 Reported	Variance Vs. FY '16	Highlights
New Enrollments	515K	1%	• Up 2% organic for the year; Brazil up 11%
Total Enrollment	1,068K	2%	• Led by Brazil and Andean & Iberian segments
Revenue	$4,378	3%	• Reported results impacted by 2016 asset sales
Revenue – Organic/CC[(1)]		5%	• All campus based segments growing
Adj. EBITDA	$832	9%	
Adj. EBITDA – Organic/CC[(1)]		11%	• Campus based segments growing double digit
Adj. EBITDA margin	19.0%	1.0 pts	

100 bps Margin Improvement due primarily to Productivity Initiatives & Scale

(1) Organic Constant Currency (CC) Operations excludes impacts from currency fluctuations, acquisitions and divestitures, and discrete items associated with sale of property, impact of acquisition-related contingent liabilities for taxes other-than-income tax, net of changes in recorded indemnification assets, and $22.8 million expense associated with our debt refinancing transactions in the second quarter of 2017

© 2018 Laureate Education, Inc.

2017 Full Year – Revenue, EBITDA Dynamics by Segment

($ millions)	Revenue		Adj. EBITDA		Highlights
	FY '17	Organic/CC Vs. FY '16 (1)	FY '17	Organic/CC Vs. FY '16 (1)	
Brazil	766	3%	134	17%	• Margin improvement from operating model implementation
Mexico	646	5%	147	4%	
Andean & Iberian	1,314	7%	360	18%	• Double digit growth in Peru
Central Am. & U.S. Campuses	292	8%	48	13%	• Strong growth in U.S. health sciences platform
EMEAA	697	10%	125	32%	• Benefitting from scale
Online & Partnerships	690	(2%)	205	(2%)	
Corporate & Eliminations	(27)	n.m.	(188)	(21%)	
Laureate Total	4,378	5%	832	11%	• 100 bps margin expansion

100 bps Adj. EBITDA margin increase due to volume leverage & EiP

(1) Organic Constant Currency (CC) Operations excludes impacts from currency fluctuations, acquisitions and divestitures, and discrete items associated with sale of property, impact of acquisition-related contingent liabilities for taxes other-than-income tax, net of changes in recorded indemnification assets, and $22.8 million expense associated with our debt refinancing transactions in the second quarter of 2017

© 2018 Laureate Education, Inc.

2017 Full Year – Net Income Reconciliation

($ in millions)	FY '17 Reported	Variance Vs. FY '16 $	Variance Vs. FY '16 %	Highlights
Adjusted EBITDA	832	66	9%	
Depreciation & Amort.	(265)	0	0%	
Interest Expense, net	(343)	60	15%	• Lower debt levels and cost of debt
Gain (loss) on Sale of Subs	(11)	(417)	n.m.	• $407M gain on sale of France and Swiss business units recognized in 2016
Income Tax	67	132	n.m.	• U.S. Tax Law reform benefit of $138M
Other	(186)	(113)	n.m.	• Impairments and increased EiP investments
Net Income	94	(272)	n.m.	

Net Income variance related to gains on asset sales in 2016

Note: *See Appendix for detailed Income Statement*

© 2018 Laureate Education, Inc.



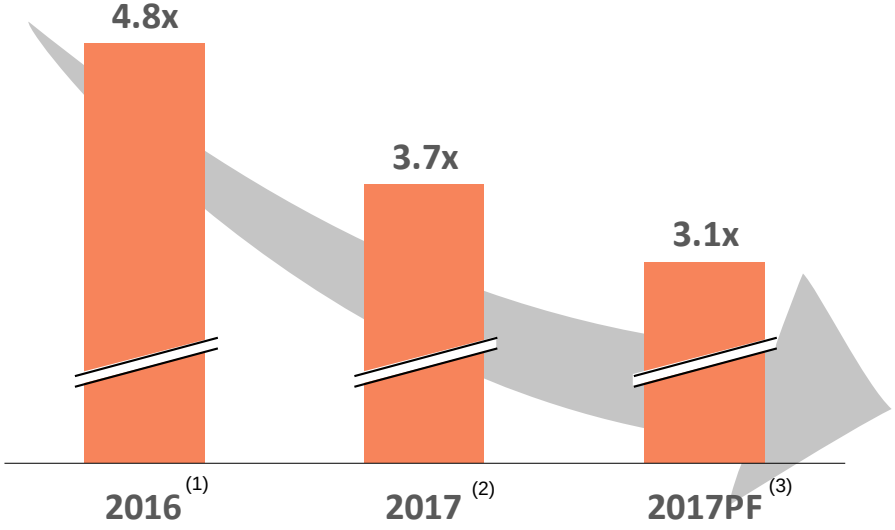
CAPITAL STRUCTURE

LAUREATE
EDUCATION INC®

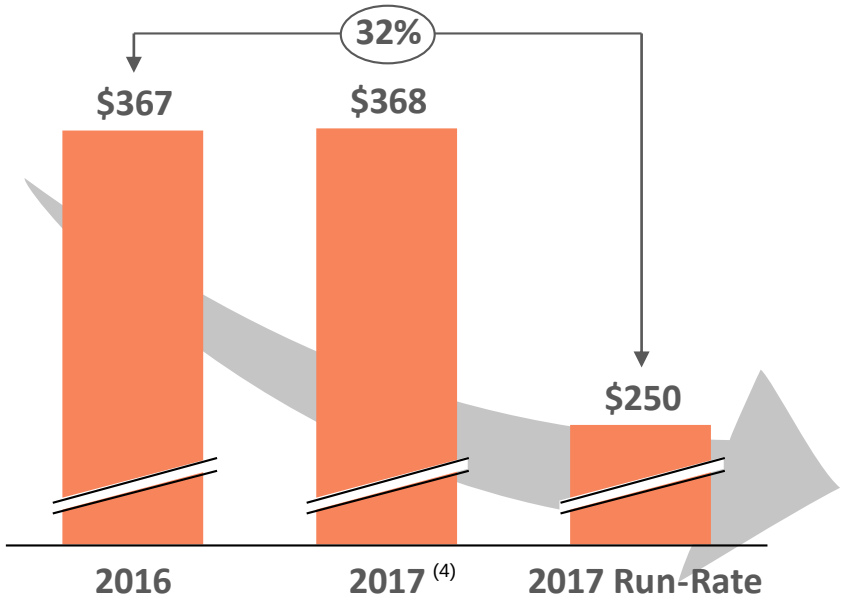
© 2018 Laureate Education, Inc.

Improved Capital Structure Drives Increased Free Cash Flow

Net Leverage



Cash Interest ($ millions)



2017 Deleveraging expect to drive at least 30% reduction in cash interest expense in 2018

(1) 2016 Adj. EBITDA base excludes $27M contribution from French and Swiss business sold during 2016
(2) 2017 EBITDA base excludes net other gains of $19M as disclosed in the appendix
(3) 2017 PF includes impact from sale of announced divestitures, but not impacted by potential deconsolidation of certain Chilean operations
(4) Includes $39M of PIK interest paid at maturity of seller note in 2017 (related to prior acquisition), excludes $55M of timing impacts

© 2018 Laureate Education, Inc.

2017 Free Cash Flow

($ millions)	FY '17	B / (W) Vs. FY '16	Highlights
Adj. EBITDA (excl. $23M Debt Refi)	855	89	
Δ Working Capital/Other	22	50	
Cash Taxes	(130)	(1)	
Capital Expenditures (1)	(283)	(50)	• 6.5% of Revenue – up 100bps YoY
EiP Initiatives	(115)	(36)	• Approx. $50M due to severance for EiP Wave 2
Unlevered Free Cash Flow	348	53	• 18% growth vs. 2016
Debt Refinancing Cost	(88)	(88)	• Includes $23M of debt refinancing transaction fees plus call premiums
Cash Interest	(423)	(56)	• $55M due to timing of cash interest related to revised payment schedule
FCF including EiP Investment	(163)	(92)	

2017 Unlevered Free Cash Flow up 18% Vs. 2016 to 8% of Revenue

(1) Excluding EiP related capex

© 2018 Laureate Education, Inc.



2018 OUTLOOK

LAUREATE EDUCATION INC

© 2018 Laureate Education, Inc.

2018 Guidance

($ in millions) (Enrollments in thousands)	FY 2018 PF (1)	Q1 2018
Total Enrollments	955K – 959K	
Revenue	$3,885 - $3,920	$865 - $880
Adjusted EBITDA	$763 - $770	$30 - $40
Net Leverage	3.1x	
Capex as % Revenue	~ 7%	
Cash Taxes	22% of EBIT	
Cash Interest	~ $250	
Free Cash Flow (2)	~ $100	

(1) Guidance shown for FY 2018 is pro forma assuming full year 2018 impact from announced asset divestitures and deconsolidation of certain Chilean entities – See Appendix for further details
(2) Free Cash Flow defined as operating cash flow less capital expenditures

Reaffirming FY 2018 guidance provided during Investor Day

Note: An outlook for 2017 net income and reconciliation of the forward-looking 2017 Adjusted EBITDA outlook to net income are not being provided as the company does not currently have sufficient data to accurately estimate the variables and individual adjustments for such outlook and reconciliation.

© 2018 Laureate Education, Inc.



APPENDIX

LAUREATE
EDUCATION INC®

© 2018 Laureate Education, Inc.

Revenue & Adjusted EBITDA Bridges – Total Company

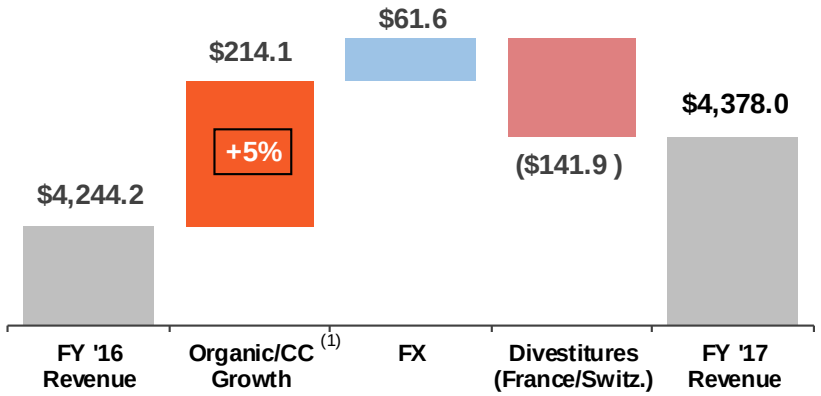
Q4 ’17 vs. Q4 ’16 Laureate Revenue Bridge

($ in USD millions)



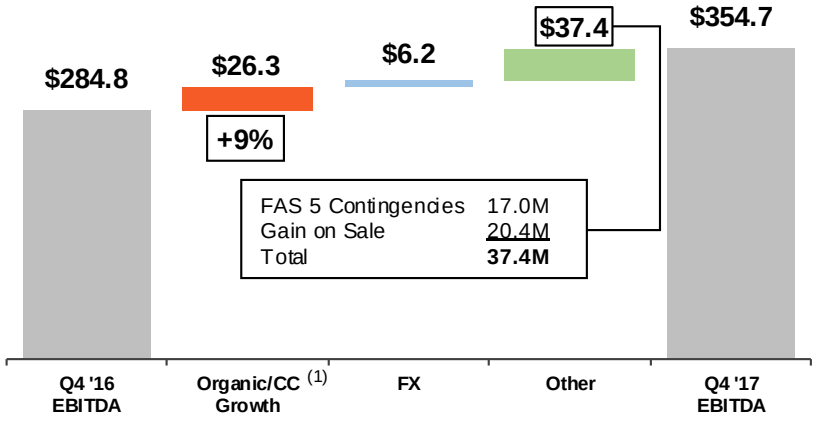
FY ’17 vs. FY’16 Laureate Revenue Bridge

($ in USD millions)



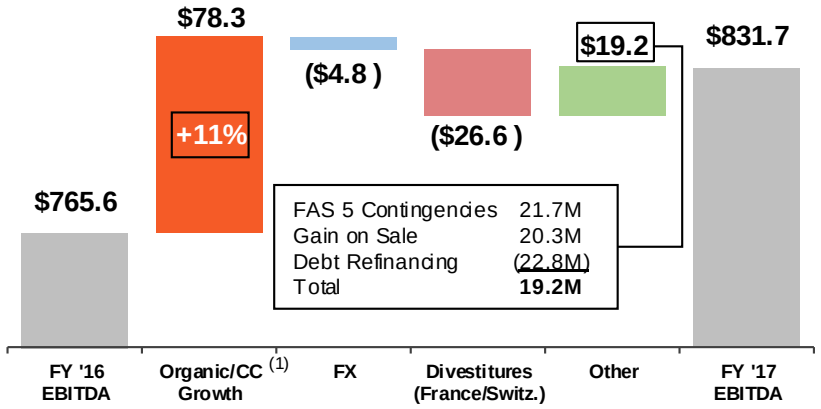
Q4 ’17 vs. Q4 ’16 Laureate Adj. EBITDA Bridge

($ in USD millions)



FY ’17 vs. FY ’16 Laureate Adj. EBITDA Bridge

($ in USD millions)



(1) Organic Constant Currency (CC) Operations excludes impacts from currency fluctuations, acquisitions and divestitures, and discrete items associated with sale of property, impact of acquisition-related contingent liabilities for taxes other-than-income tax, net of changes in recorded indemnification assets, and $22.8 million expense associated with our debt refinancing transactions in the second quarter of 2017

© 2018 Laureate Education, Inc.

FY 2018 Guidance

(USD millions, except enrollments in thousands)	Total Enrollments	Revenues	Adj. EBITDA	Adj. EBITDA Margin %	Net Leverage
2017 Results	1,068	$4,378	$832	19.0%	3.7x
2017 Normalized Adjustments (1)			($13)		
Announced Divestitures	(59)	($255)	($57)		(0.6x)
Chile Deconsolidation (estimated)	(73)	($394)	($55)		0.4x
2017 Proforma	936	$3,729	$707	19.0%	3.5x
Organic Growth	19 – 23	$106 – $141	$47 – $54		
Growth %	*2.0% - 2.5%*	*3% - 4%*	*7% - 8%*		
2018 FXN Guidance (CC)	955 – 959	$3,835 – $3,870	$754 – $761	19.7%	3.1x
FX Impact (spot FX)	-	$50	$9		
2018 Guidance (@ spot FX) (2)	955 – 959	$3,885 – $3,920	$763 – $770		

(1) Normalized adjustment include ($20.3) million sale of property, impact of acquisition-related contingent liabilities for taxes other-than-income tax, net of changes in recorded indemnification assets, and $22.8 million expense associated with our debt refinancing transactions in the second quarter of 2017

(2) Based on current spot FX rates (local currency per U.S. dollar) of MXN 18.86, BRL 3.25, CLP 596.00, PEN 3.26, EUR 0.82 for March – December 2018. FX impact may change based on fluctuations in currency rates in future periods

Note: An outlook for 2017 net income and reconciliation of the forward-looking 2017 Adjusted EBITDA outlook to net income are not being provided as the company does not currently have sufficient data to accurately estimate the variables and individual adjustments for such outlook and reconciliation.

© 2018 Laureate Education, Inc.

Q1 2018 Guidance

(USD millions)	Revenues	Adj. EBITDA
1Q 2017 Reported Results	$856	$49
Closed Divestitures [1]	($35)	($12)
1Q 2017 Reported Results Pro Forma	$821	$37
Closed Divestitures (January stub) [1]	$7	$3
Organic Growth	$14 - $29	($10) – $0
Growth %	*2% - 3%*	*n.m.*
1Q 2018 Guidance (CC)	$842 - $857	$30 - $40
FX Impact (spot FX)	$23	--
1Q 2018 Guidance (@ spot FX) [2]	$865 - $880	$30 - $40

(1) Includes Cyprus, Italy and China impact. January stub period includes the portion of their results included in the first quarter of 2018 prior to closing of the sales.
(2) Based on current spot FX rates (local currency per U.S. dollar) of MXN 18.86, BRL 3.25, CLP 596.00, PEN 3.26, EUR 0.82 for March 2018. FX impact may change based on fluctuations in currency rates in future periods

Note: An outlook for 2017 net income and reconciliation of the forward-looking 2017 Adjusted EBITDA outlook to net income are not being provided as the company does not currently have sufficient data to accurately estimate the variables and individual adjustments for such outlook and reconciliation.

© 2018 Laureate Education, Inc.

Segment Results Overview

© 2018 Laureate Education, Inc.

Significant Timing Items Impacting Quarter-over-Quarter Comparability

Timing adjusted results presented on the following segment pages include the following impacts:

- **Mexico:** Magnitude 7.1 earthquake struck on September 19th with its epicenter in Puebla, which heavily impacted Mexico City as well as 7 other Mexican states
  - Delaying classes and shifting of Revenue from Q3 to Q4 2017, plus additional expenses for repairs
- **Chile:** Student class disruptions in Q2 2016
  - Shifting Revenue from Q2 to Q3 & Q4 2016 (prior year)

Q4

Favorable/(Unfavorable)	Revenue Timing Items			Adj. EBITDA Timing Items		
(in USD millions)	Q4 '17	Q4 '16	Δ $	Q4 '17	Q4 '16	Δ $
2017 Mexico Earthquake (Q3 shift to Q4 2017)	11.7	-	11.7	11.7	-	11.7
2016 Chile Class Disruption (Q2 2016 shift to Q3 & Q4 2016)	-	18.0	(18.0)	-	18.0	(18.0)
Total Timing Items	**11.7**	**18.0**	**(6.3)**	**11.7**	**18.0**	**(6.3)**

Enrollment timing: EMEAA shifted new enrollments intake of 1,600 students from Q4 in 2016 to Q3 in 2017 due to timing intake at one institution; see EMEAA segment page that follows for timing adjusted enrollment results

© 2018 Laureate Education, Inc.

Segment Results Overview – Brazil

- Fourth quarter results reflect strong secondary intake (especially in distance learning – DL), and actions taken in the fourth quarter to implement the common operating model in Brazil
  - On an organic constant currency(1) basis, Q4 '17 Revenue increased $4M or 2% vs. prior year
  - Q4 '17 Adjusted EBITDA increased $22M or 68% vs. prior year, on an organic constant currency(1) basis, benefitted by operational efficiencies implemented through the common operating model as well as timing items
- FY'17 results reflect strong performance in enrollments with mix impacting growth in revenue per student
  - On an organic constant currency(1) basis, FY '17 Revenue increased $22M or 3% vs. prior year
  - FY '17 Adjusted EBITDA increased $16M or 17% vs. prior year on an organic constant currency(1) basis

Organic (1) Y-o-Y Results

	New Enroll.	Total Enroll.	Rev.	Adj. EBITDA
Q4	+27%	+5%	+2%	+68%
FY	+11%	+5%	+3%	+17%



(1) Excludes impact from FX and one-time or discrete items associated with contingencies related to prior acquisitions.

© 2018 Laureate Education, Inc.

Segment Results Overview – Mexico

- Fourth quarter results were impacted by the September 19th earthquake, which resulted in an estimated loss of 4,000 – 5,000 total enrollments for 2H 2017
  - On an organic constant currency(1) basis, Q4 '17 Revenue increased $16M or 9%. Adjusted for $12M in favorable revenue timing, Q4 '17 revenue increased 3%
  - Q4 '17 Adjusted EBITDA increased $13M or 23%, on an organic constant currency(1) basis. Adjusted for $12M of favorable timing, Q4 '17 Adjusted EBITDA increased 2%
- FY '17 results reflect the impact from the earthquake as well as lower levels of consumer sentiment in Mexico
  - On an organic constant currency(1) basis, FY '17 Revenue increased $29M or 5%
  - FY '17 Adjusted EBITDA increased $6M or 4% on an organic constant currency(1) basis, impacted by additional expenses related to the earthquake and investments in marketing

Organic (1) Y-o-Y Results

	New Enroll.	Total Enroll.	Rev.	Adj. EBITDA
Q4	(42%)	0%	+9%	+23%
FY	(1%)	0%	+5%	4%

Organic (1) Y-o-Y Results (Timing Adjusted)

Shaded cells represents timing adjusted results

	New Enroll.	Total Enroll.	Rev.	Adj. EBITDA
Q4	(42%)	0%	+3%	2%
FY	(1%)	0%	+5%	+4%



(1) Excludes impact from FX

© 2018 Laureate Education, Inc.

Segment Results Overview – Andean & Iberian

- Fourth quarter year-over-year comparability impacted by the timing of 2016 Chile class disruption
  - On an organic constant currency(1) basis, Q4 '17 Revenue increased $11M or 3% vs. prior year. Adjusted for $18M of 2016 Chile class disruption timing, Q4 '17 Revenue increased 8%
  - Q4 '17 Adjusted EBITDA decreased ($9M) or (9%) on an organic constant currency(1) basis vs. prior year. Adjusted for the 2016 Chile class disruption timing, Q4 '17 Adjusted EBITDA increased 8%
- FY '17 reflect solid performance
  - FY '17 new enrollment intake was essentially flat vs. prior year. Excluding Chile, FY new enrollment for the other markets was up 3%
  - On an organic constant currency(1) basis, FY '17 Revenue increased $88M or 7%
  - FY '17 Adjusted EBITDA increased $51M or 18% on an organic constant currency(1) basis

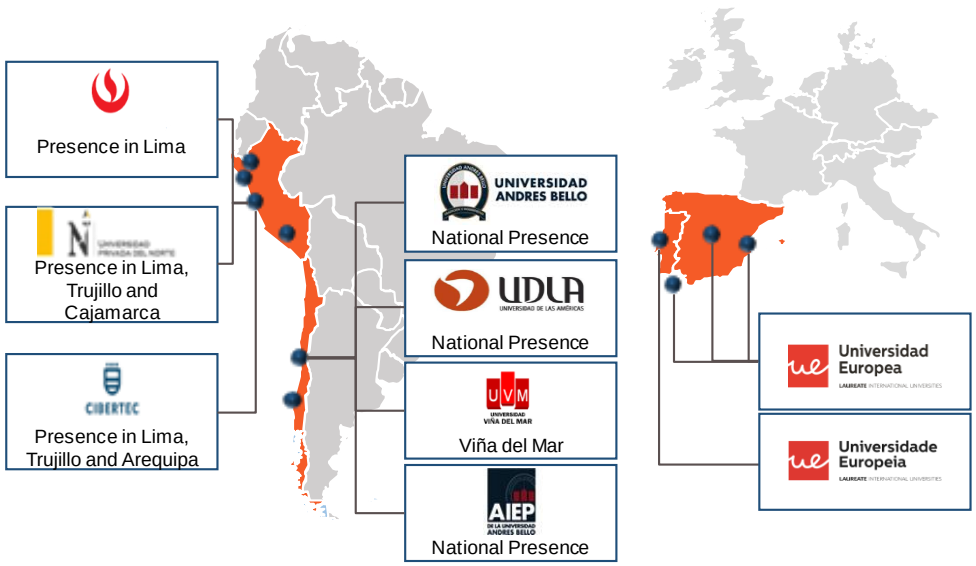
Organic (1) Y-o-Y Results

	New Enroll.	Total Enroll.	Rev.	Adj. EBITDA
Q4	+2%	+4%	+3%	(+9%)
FY	0%	+4%	+7%	+18%

Organic (1) Y-o-Y Results (Timing Adjusted)

Shaded cells represents timing adjusted results

	New Enroll.	Total Enroll.	Rev.	Adj. EBITDA
Q4	+2%	+4%	+8%	+8%
FY	0%	+4%	+7%	+18%



(1) Excludes impact from FX and one-time or discrete items associated with sale of property

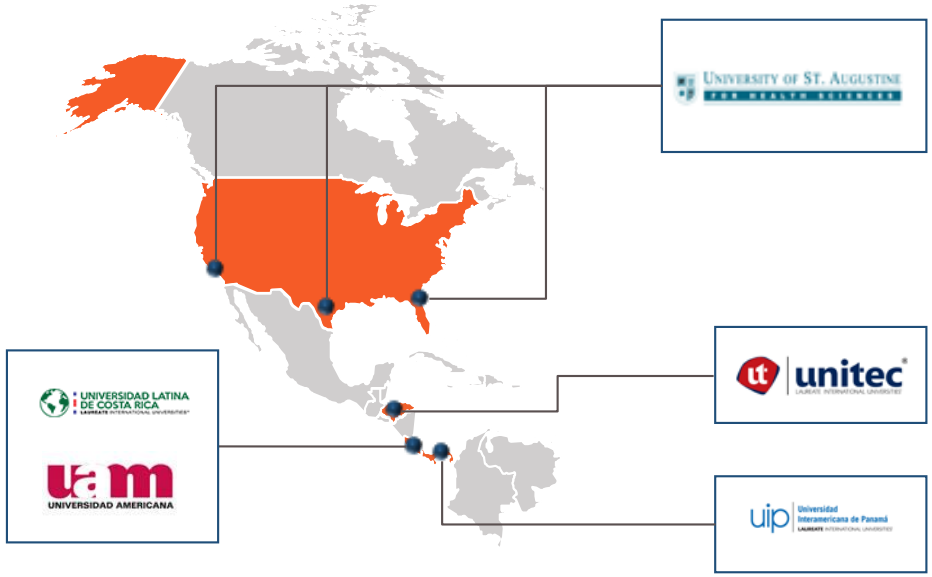
© 2018 Laureate Education, Inc.

Segment Results Overview – Central America & U.S. Campuses (1)

- Fourth quarter results were impacted by softness in some of the Campus Based institutions in a seasonally low enrollment quarter for the segment
  - On an organic constant currency(2) basis, Q4 '17 Revenue increased $6M or 9% vs. prior year
  - Q4 '17 Adjusted EBITDA decreased ($2M) or (15%) vs. prior year, on an organic constant currency(2) basis due to weaker performance in one of the smaller U.S. campus based institutions that is being divested
- FY '17 results reflect low single digit enrollment growth driving mid-high single digit revenue growth, with faster growth in the higher price point markets. Margins have improved through scaling of smaller assets in the segment
  - On an organic constant currency(2) basis, FY '17 Revenue increased $22M or 8% vs. prior year
  - FY '17 Adjusted EBITDA increased $6M or 13% vs. prior year on an organic constant currency(2) basis

Organic (2) Y-o-Y Results

	New Enroll.	Total Enroll.	Rev.	Adj. EBITDA
Q4	+3%	+2%	+9%	(15%)
FY	+4%	+2%	+8%	13%



(1) Includes Kendall College and NewSchool of Architecture & Design (not shown in map)
(2) Excludes impact from FX

© 2018 Laureate Education, Inc.

Segment Results Overview – EMEAA

- Q4 financial results remain strong and follow previous quarter's performance
  - Q4 new enrollment intake decreased (34%) vs. prior year impacted by timing and the quota reduction of approx. 3,500 students in Turkey. Adjusted for timing and excluding Turkey, new enrollments grew 9% or 400 students as compared to same quarter prior year
  - On an organic constant currency(1) basis, Q4 '17 Revenue increased $25M or 12% vs. prior year
  - Q4 '17 Adjusted EBITDA increased $13M or 22% on an organic constant currency(1) basis vs. prior year
- FY results reflect strong revenue performance and margin expansion from scale benefits
  - On an organic constant currency(1) basis, FY '17 Revenue increased $65M or 10% vs. prior year
  - FY '17 Adjusted EBITDA increased $32M or 32% on an organic constant currency(1) basis vs. prior year due to robust margin expansion

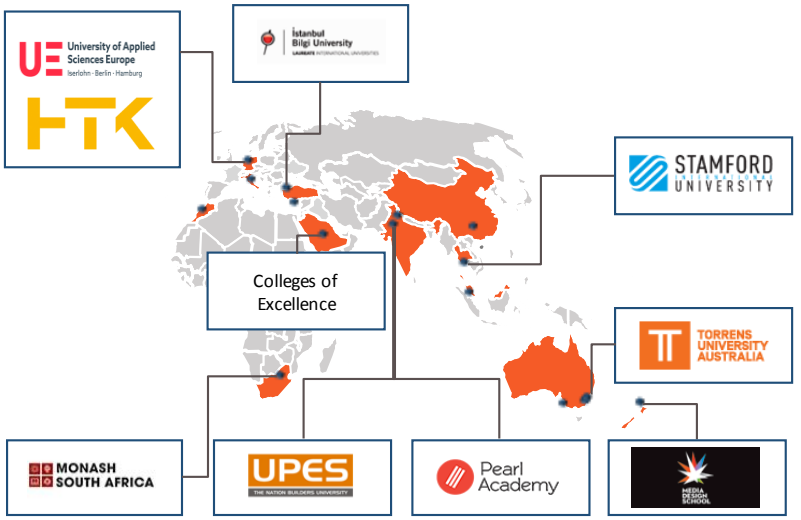
Organic (1) Y-o-Y Results

	New Enroll.	Total Enroll.	Rev.	Adj. EBITDA
Q4	(34%)	+2%	+12%	22%
FY	(6%)	+2%	+10%	32%

Organic (1) Y-o-Y Results (Timing Adjusted)

Shaded cells represents timing adjusted results

	New Enroll.	Total Enroll.	Rev.	Adj. EBITDA
Q4	(22%)	+2%	+12%	22%
FY	(6%)	+2%	+10%	32%



(1) Excludes impacts from FX and 2016 Divestitures.

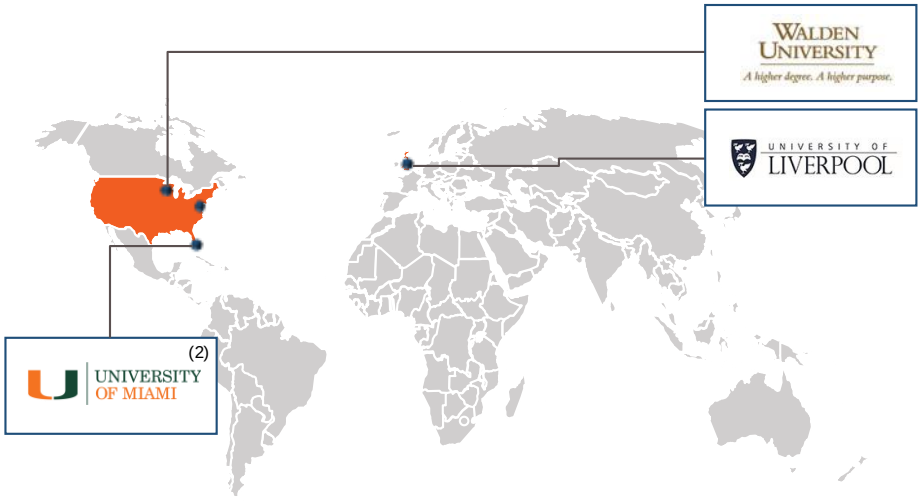
© 2018 Laureate Education, Inc.

Segment Results Overview – Online & Partnerships

- Online & Partnerships new enrollments were down 900 students or (11%) from same quarter prior year. Walden new enrollments were down 270 students or (4%) for the fourth quarter 2017 as compared to 4Q 2016. This represents a significant trend improvement from the third quarter 2017 results which were down 1,800 students or (17%) versus prior year same quarter.
  - The remaining decline of 630 students for new enrollment in the segment reflects our planned mix, and continued, shift in our international fully online enrollments away from short duration/low margin students to longer length-of-stay students with higher revenue and contribution margins
  - Q4 '17 Revenue decreased ($5M) or (3%) while Q4 '17 Adjusted EBITDA was essentially flat on an organic constant currency(1) basis, primarily due to reduced volumes offset by tight expense management
- FY '17 results reflect better pricing and cost controls
  - FY new enrollment decreased (11%) and total enrollment decreased (7%)
  - On an organic constant currency(1) basis, FY '17 Revenue decreased ($15M) or (2%) vs. prior year
  - FY '17 Adjusted EBITDA decreased only ($4M) or (2%) on an organic constant currency(1) basis, due to reduced volumes offset by tight expense management

Organic (1) Y-o-Y Results

	New Enroll.	Total Enroll.	Rev.	Adj. EBITDA
Q4	(11%)	(7%)	(3%)	(1%)
FY	(11%)	(7%)	(2%)	(2%)



(1) Excludes impact from FX
(2) University of Miami is not consolidated; partnership model

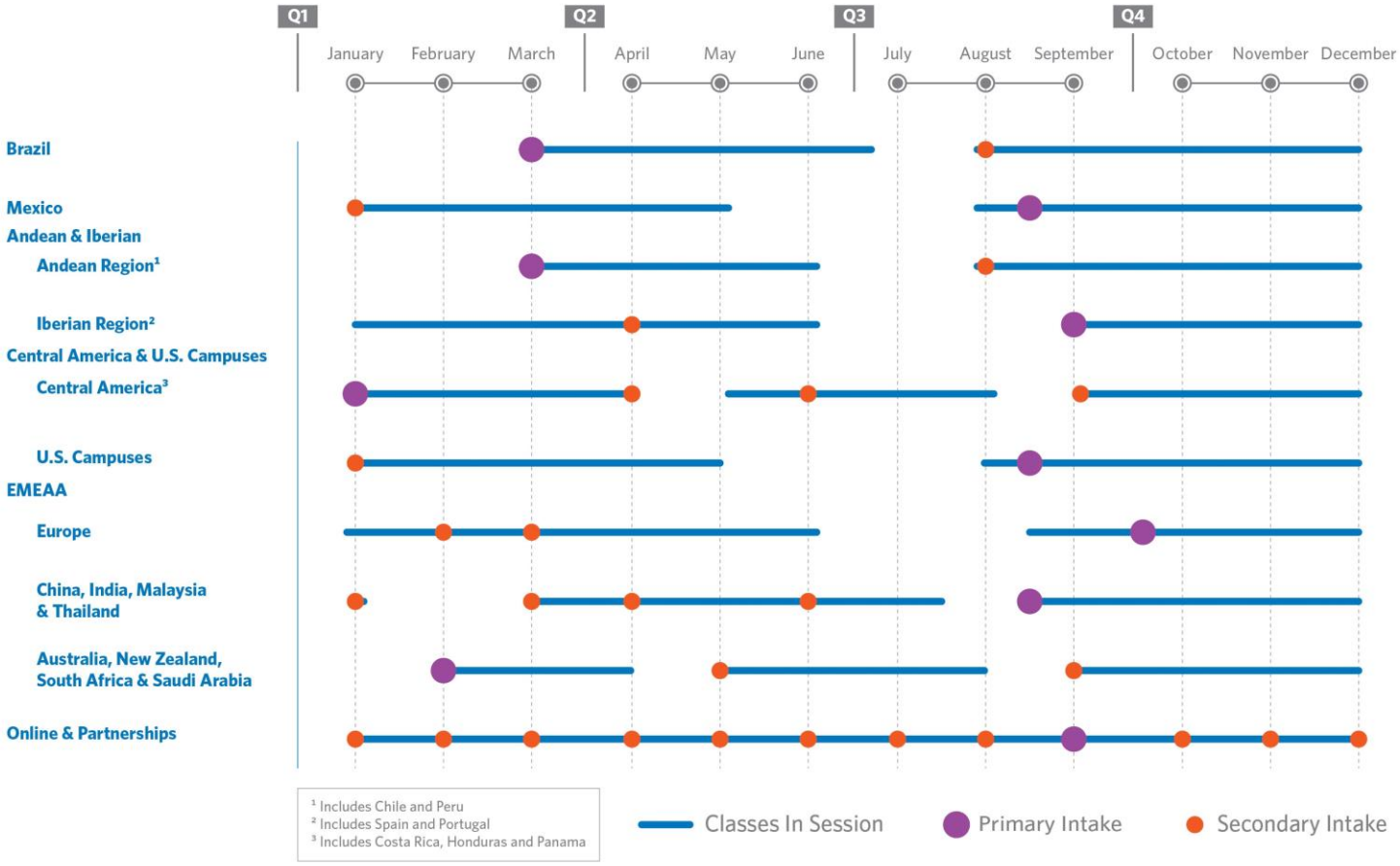
© 2018 Laureate Education, Inc.

Other Information

© 2018 Laureate Education, Inc.

Seasonality: Main Enrollment Intakes

- Q1 and Q3 are peak intake quarters, but seasonally weak earnings quarters as institutions are largely out of session during the summer season
  - Q1 represents the large intake for our Southern Hemisphere institutions (Brazil, Andean & Iberian)
  - Q3 represents the large intake for our Northern Hemisphere institutions (Mexico, CentAm &US Campus Based, EMEAA, Online & Partnerships)

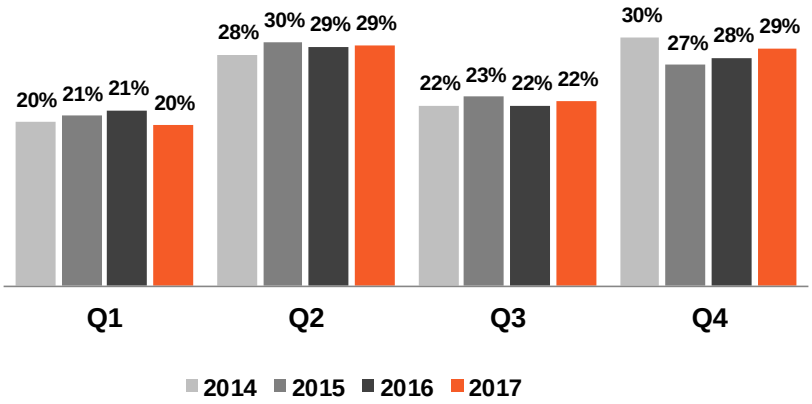


© 2018 Laureate Education, Inc.

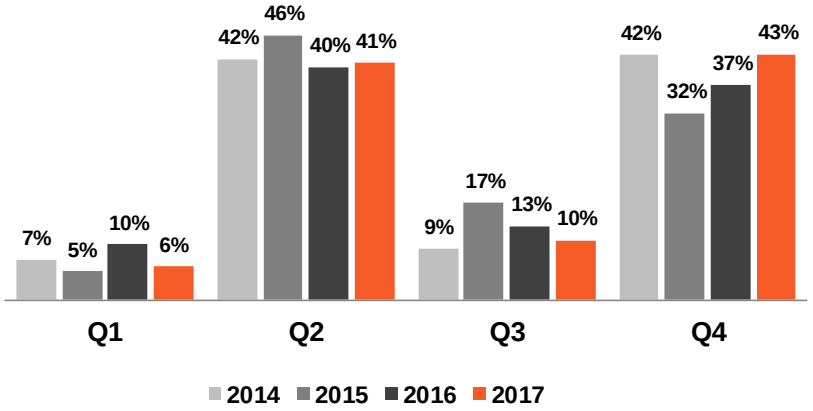
Intra-Year Seasonality Trends

- Large intake cycles at end of Q1 (Southern Hemisphere) and end of Q3 (Northern Hemisphere) drive seasonality of earnings (Q2 and Q4 are our strongest earnings quarters)

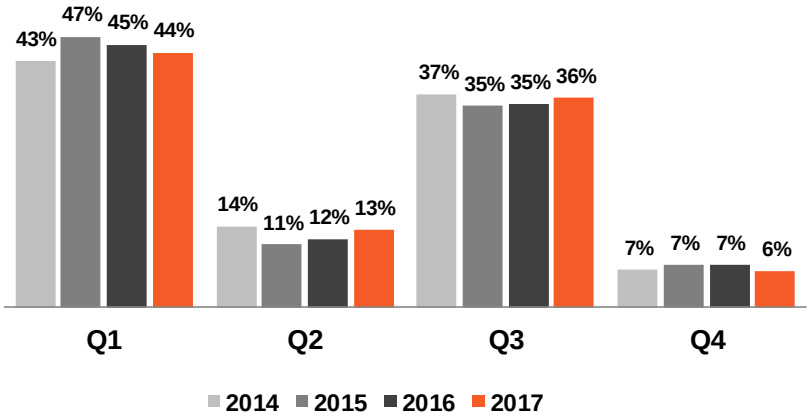
Revenue Seasonality



Adj. EBITDA Seasonality



New Enrollments Seasonality



Factors Affecting Seasonality

- Intake cycles
  - Q1 Southern Hemisphere
  - Q3 Northern Hemisphere
- Academic calendar
- FX trends

© 2018 Laureate Education, Inc.

Financial Tables

© 2018 Laureate Education, Inc.

Financial Tables

Consolidated Statements of Operations

IN MILLIONS	For the three months ended December 31, 2017	2016	Change	For the year ended December 31, 2017[1]	2016	Change
Revenues	$ 1,261.2	$ 1,175.9	$ 85.3	$ 4,378.0	$ 4,244.2	$ 133.8
Costs and expenses:						
Direct costs	945.6	917.5	28.1	3,665.1	3,615.3	49.8
General and administrative expenses	93.6	63.9	29.7	315.5	222.5	93.0
Loss on impairment of assets	40.6	23.5	17.1	40.6	23.5	17.1
Operating income	181.5	171.0	10.5	356.8	382.9	(26.1)
Interest income	4.7	5.4	(0.7)	19.7	18.7	1.0
Interest expense	(84.9)	(107.6)	22.7	(362.9)	(421.9)	59.0
Loss on debt extinguishment	—	—	—	(8.4)	(17.4)	9.0
Gain (loss) on derivatives	9.5	2.2	7.3	28.7	(6.1)	34.8
Other (expense) income, net	(1.5)	1.9	(3.4)	(2.2)	0.9	(3.1)
Foreign currency exchange gain (loss), net	5.9	(12.8)	18.7	5.8	67.5	(61.7)
(Loss) gain on sales of subsidiaries, net	(10.5)	8.1	(18.6)	(10.7)	406.6	(417.3)
Income from continuing operations before income taxes and equity in net income of affiliates	104.8	68.1	36.7	26.8	431.1	(404.3)
Income tax benefit (expense)	95.6	(29.8)	125.4	66.8	(65.0)	131.8
Equity in net income of affiliates, net of tax	0.2	0.1	0.1	0.2	0.1	0.1
Net income	200.5	38.5	162.0	93.8	366.2	(272.4)
Net (income) loss attributable to noncontrolling interests	(4.7)	2.8	(7.5)	(2.3)	5.7	(8.0)
Net income attributable to Laureate Education, Inc.	$ 195.8	$ 41.3	$ 154.5	$ 91.5	$ 371.8	$ (280.3)
Accretion of Series A convertible redeemable preferred stock and other redeemable noncontrolling interests and equity	$ (106.3)	$ (4.8)	$ (101.5)	$ (298.5)	$ (1.5)	$ (297.0)
Net income (loss) available to common stockholders	$ 89.5	$ 36.5	$ 53.0	$ (207.0)	$ 370.3	$ (577.3)
Basic and diluted earnings (loss) per share:						
Basic weighted average shares outstanding	187.3	133.3	54.0	172.4	133.3	39.1
Dilutive weighted average shares outstanding	187.8	134.5	53.3	172.4	134.4	38.0
Basic earnings (loss) per share	$ 0.48	$ 0.27	$ 0.21	$ (1.20)	$ 2.78	$ (3.98)
Diluted earnings (loss) per share	$ 0.48	$ 0.27	$ 0.21	$ (1.20)	$ 2.76	$ (3.96)

[1] Financial results for 2017 as compared to 2016 were affected by the sale of two business units in France and Switzerland (EMEAA segment) during 2016.

Note: Dollars in millions, except per share amounts, and may not sum to total due to rounding

© 2018 Laureate Education, Inc.

Financial Tables

Revenue and Adjusted EBITDA by segment

IN MILLIONS

For the quarter ended December 31,	2017	2016	% Change Reported	% Change Organic Constant Currency[2]	$ Variance Components Total	Organic Constant Currency	Other	Acq/Div.	FX
Revenues									
Brazil	$ 217.8	$ 211.2	3%	2%	$ 6.6	$ 3.6	$ —	$ —	$ 3.0
Mexico	194.2	170.9	14%	9%	23.3	16.2	—	—	7.1
Andean & Iberian	383.5	353.1	9%	3%	30.4	10.8	—	—	19.6
Central America & U.S. Campuses	72.8	67.7	8%	9%	5.1	5.9	—	—	(0.8)
EMEAA	228.9	203.7	12%	12%	25.2	24.7	—	—	0.5
Online & Partnerships	169.4	173.9	(3)%	(3)%	(4.5)	(5.4)	—	—	0.9
Corporate & Eliminations	(5.3)	(4.6)	(15)%	(15)%	(0.7)	(0.7)	—	—	
Total Revenues	$ 1,261.2	$ 1,175.9	7%	5%	$ 85.3	$ 55.0	$ —	$ —	$ 30.3
Adjusted EBITDA									
Brazil	$ 72.9	$ 32.3	126%	68%	$ 40.6	$ 22.1	$ 17.3	$ —	$ 1.2
Mexico	68.6	54.4	26%	23%	14.2	12.6	(0.3)	—	1.9
Andean & Iberian	119.9	103.5	16%	(9)%	16.4	(9.2)	20.4	—	5.2
Central America & U.S. Campuses	9.8	11.8	(17)%	(15)%	(2.0)	(1.8)	—	—	(0.2)
EMEAA	70.9	59.8	19%	22%	11.1	13.0	—	—	(1.9)
Online & Partnerships	58.8	59.1	(1)%	(1)%	(0.3)	(0.3)	—	—	—
Corporate & Eliminations	(46.1)	(36.1)	(28)%	(28)%	(10.0)	(10.0)	—	—	—
Total Adjusted EBITDA	$ 354.7	$ 284.8	25%	9%	$ 69.9	$ 26.3	$ 37.4	$ —	$ 6.2

[2] Organic Constant Currency results exclude the period-over-period impact from currency fluctuations, acquisitions and divestitures, and other items. Other items include the impact of acquisition-related contingent liabilities for taxes other-than-income tax, net of changes in recorded indemnification assets, as well as the impact of a $20.3 million operating gain on the sale of property and equipment in our Andean & Iberian segment. The "Organic Constant Currency" % changes are calculated by dividing the Organic Constant Currency amounts by the 2016 Revenues and Adjusted EBITDA amounts.

Note: Dollars in millions, except per share amounts, and may not sum to total due to rounding

© 2018 Laureate Education, Inc.

Financial Tables

Revenue and Adjusted EBITDA by segment

IN MILLIONS

For the year ended December 31,	2017	2016	% Change Reported	% Change Organic Constant Currency[3]	$ Variance Components Total	Organic Constant Currency	Other	Acq/Div.	FX
Revenues									
Brazil	$ 765.7	$ 690.8	11%	3%	$ 74.9	$ 22.4	$ —	$ —	$ 52.5
Mexico	646.2	626.0	3%	5%	20.2	29.2	—	—	(9.0)
Andean & Iberian	1,313.9	1,188.6	11%	7%	125.3	88.2	—	—	37.1
Central America & U.S. Campuses	291.9	274.9	6%	8%	17.0	22.1	—	—	(5.1)
EMEAA	697.2	788.7	(12)%	10%	(91.5)	64.9	—	(141.9)	(14.5)
Online & Partnerships	690.4	705.0	(2)%	(2)%	(14.6)	(15.2)	—	—	0.6
Corporate & Eliminations	(27.3)	(29.7)	8%	8%	2.4	2.4	—	—	—
Total Revenues	$ 4,378.0	$ 4,244.2	3%	5%	$ 133.8	$ 214.1	$ —	$ (141.9)	$ 61.6
Adjusted EBITDA									
Brazil	$ 134.2	$ 95.4	41%	17%	$ 38.8	$ 16.1	$ 21.2	$ —	$ 1.5
Mexico	147.2	143.7	2%	4%	3.5	5.6	0.5	—	(2.6)
Andean & Iberian	360.1	283.4	27%	18%	76.7	50.9	20.3	—	5.5
Central America & U.S. Campuses	48.3	43.5	11%	13%	4.8	5.7	—	—	(0.9)
EMEAA	125.1	127.7	(2)%	32%	(2.6)	32.2	—	(26.6)	(8.2)
Online & Partnerships	204.5	208.2	(2)%	(2)%	(3.7)	(3.6)	—	—	(0.1)
Corporate & Eliminations	(187.7)	(136.4)	(38)%	(21)%	(51.3)	(28.5)	(22.8)	—	—
Total Adjusted EBITDA	$ 831.7	$ 765.6	9%	11%	$ 66.1	$ 78.3	$ 19.2	$ (26.6)	$ (4.8)

[3] Organic Constant Currency results exclude the period-over-period impact from currency fluctuations, acquisitions and divestitures, and other items. Other items include the impact of acquisition-related contingent liabilities for taxes other-than-income tax, net of changes in recorded indemnification assets, as well as the impact of a $20.3 million operating gain on the sale of property and equipment in our Andean & Iberian segment and a $22.8 million expense associated with our debt refinancing transactions in the second quarter of 2017. The "Organic Constant Currency" % changes are calculated by dividing the Organic Constant Currency amounts by the 2016 Revenues and Adjusted EBITDA amounts, excluding the impact of the divestitures.

Note: Dollars in millions, except per share amounts, and may not sum to total due to rounding

© 2018 Laureate Education, Inc.

Financial Tables

Consolidated Balance Sheets

IN MILLIONS	December 31, 2017	December 31, 2016	Change
Assets			
Cash and cash equivalents	$ 468.7	$ 465.0	$ 3.7
Receivables (current), net	357.9	334.8	23.1
Other current assets	359.7	316.0	43.7
Current assets held for sale	102.6	—	102.6
Property and equipment, net	1,934.9	2,151.6	(216.7)
Goodwill and other intangible assets	3,286.2	3,288.8	(2.6)
Other long-term assets	489.3	506.3	(17.0)
Long-term assets held for sale	392.4	—	392.4
Total assets	$ 7,391.7	$ 7,062.5	$ 329.2
Liabilities and stockholders' equity			
Accounts payable and accrued expenses	$ 618.4	$ 695.2	$ (76.8)
Deferred revenue and student deposits	312.4	362.9	(50.5)
Total long-term debt, including current portion	3,361.3	3,808.4	(447.1)
Total due to shareholders of acquired companies, including current portion	79.6	210.9	(131.3)
Other liabilities	747.6	963.8	(216.2)
Current and long-term liabilities held for sale	271.1	—	271.1
Total liabilities	5,390.4	6,041.2	(650.8)
Convertible redeemable preferred stock	400.3	333.0	67.3
Redeemable noncontrolling interests and equity	13.7	23.9	(10.2)
Total stockholders' equity	1,587.3	664.4	922.9
Total liabilities and stockholders' equity	$ 7,391.7	$ 7,062.5	$ 329.2

Note: Dollars in millions, except per share amounts, and may not sum to total due to rounding

© 2018 Laureate Education, Inc.

Financial Tables

Consolidated Statements of Cash Flows

IN MILLIONS	For the year ended December 31, 2017	2016	Change
Cash flows from operating activities			
Net income	$ 93.8	$ 366.2	$ (272.4)
Depreciation and amortization	264.7	264.9	(0.2)
Loss on impairment of assets	40.6	23.5	17.1
Gain on sale of subsidiary and disposal of property and equipment, net	(5.8)	(408.7)	402.9
(Gain) loss on derivative instruments	(29.3)	4.7	(34.0)
Loss on debt extinguishment	8.4	17.4	(9.0)
Payment of redemption and call premiums and fees on debt modification	(65.2)	—	(65.2)
Interest paid on deferred purchase price for acquisitions	(39.4)	—	(39.4)
Unrealized foreign currency exchange loss (gain)	4.1	(67.9)	72.0
Income tax receivable/payable, net	(10.7)	(36.8)	26.1
Working capital, excluding tax accounts	(204.9)	(164.9)	(40.0)
Other non-cash adjustments	74.5	186.1	(111.6)
Net cash provided by operating activities	130.8	184.6	(53.8)
Cash flows from investing activities			
Purchase of property and equipment	(274.1)	(240.3)	(33.8)
Expenditures for deferred costs	(19.7)	(16.4)	(3.3)
Receipts from sale of subsidiary and property and equipment, net	9.8	554.4	(544.6)
Investing other, net	(40.6)	(28.6)	(12.0)
Net cash (used in) provided by investing activities	(324.5)	269.2	(593.7)
Cash flows from financing activities			
Decrease in long-term debt, net	(140.1)	(712.6)	572.5
Payments of deferred purchase price for acquisitions	(94.9)	(22.2)	(72.7)
Proceeds from issuance of convertible redeemable preferred stock, net of issuance costs	55.3	329.1	(273.8)
Payment of dividends on Series A Preferred Stock and to noncontrolling interests	(19.4)	(1.5)	(17.9)
Proceeds from initial public offering, net of issuance costs	456.4	—	456.4
Payments of debt issuance costs	(16.0)	(11.6)	(4.4)
Financing other, net	(18.5)	(27.0)	8.5
Net cash provided by (used in) financing activities	222.8	(445.7)	668.5
Effects of exchange rate changes on cash	24.0	(1.8)	25.8
Change in cash included in current assets held for sale	(49.2)	—	(49.2)
Net change in cash and cash equivalents	3.8	6.3	(2.5)
Cash and cash equivalents at beginning of period	465.0	458.7	6.3
Cash and cash equivalents at end of period	$ 468.7	$ 465.0	$ 3.7
Liquidity (including Undrawn Revolver)	$ 801.7	$ 790.0	$ 11.7

Note: Dollars in millions, except per share amounts, and may not sum to total due to rounding

© 2018 Laureate Education, Inc.

Financial Tables

Non-GAAP Reconciliation

	For the three months ended December 31,			For the year ended December 31,		
IN MILLIONS	**2017**	**2016**	**Change**	**2017**	**2016**	**Change**
Net income	$ 200.5	$ 38.5	$ 162.0	$ 93.8	$ 366.2	$ (272.4)
Plus:						
Equity in net income of affiliates, net of tax	(0.2)	(0.1)	(0.1)	(0.2)	(0.1)	(0.1)
Income tax (benefit) expense	(95.6)	29.8	(125.4)	(66.8)	65.0	(131.8)
Income from continuing operations before income taxes and equity in net income of affiliates	104.8	68.1	36.7	26.8	431.1	(404.3)
Plus:						
Loss (gain) on sale of subsidiaries, net	10.5	(8.1)	18.6	10.7	(406.6)	417.3
Foreign currency exchange (gain) loss, net	(5.9)	12.8	(18.7)	(5.8)	(67.5)	61.7
Other expense (income), net	1.5	(1.9)	3.4	2.2	(0.9)	3.1
(Gain) loss on derivatives	(9.5)	(2.2)	(7.3)	(28.7)	6.1	(34.8)
Loss on debt extinguishment	—	—	—	8.4	17.4	(9.0)
Interest expense	84.9	107.6	(22.7)	362.9	421.9	(59.0)
Interest income	(4.7)	(5.4)	0.7	(19.7)	(18.7)	(1.0)
Operating income	181.5	171.0	10.5	356.8	382.9	(26.1)
Plus:						
Depreciation and amortization	65.3	62.1	3.2	264.7	264.9	(0.2)
EBITDA	246.8	233.1	13.7	621.5	647.8	(26.3)
Plus:						
Share-based compensation expense [4]	20.8	9.9	10.9	64.8	38.8	26.0
Loss on impairment of assets [5]	40.6	23.5	17.1	40.6	23.5	17.1
EiP implementation expenses [6]	46.5	18.4	28.1	104.8	55.6	49.2
Adjusted EBITDA	$ 354.7	$ 284.8	$ 69.9	$ 831.7	$ 765.6	$ 66.1

[4] Represents non-cash, share-based compensation expense pursuant to the provisions of ASC Topic 718.

[5] Represents non-cash charges related to impairments of long-lived assets.

[6] EiP implementation expenses are related to our enterprise-wide initiative to optimize and standardize our processes, creating vertical integration of procurement, information technology, finance, accounting and human resources. The first wave of EiP began in 2014 and was substantially completed in 2017, and includes the establishment of regional SSOs around the world, as well as improvements to our system of internal controls over financial reporting. Given the success of the first wave of EiP, we have expanded the initiative into other back- and mid-office areas, as well as certain student-facing activities, in order to generate additional efficiencies and create a more efficient organizational structure. Also included in EiP are certain non-recurring costs incurred in connection with the planned divestitures.

Note: Dollars in millions, except per share amounts, and may not sum to total due to rounding

© 2018 Laureate Education, Inc.



HERE
FOR
GOOD